

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4785-04
Bill No.: SB 969
Subject: Education, Elementary and Secondary; Boards, Commissions, Committees,
Councils; Kansas City; St Louis
Type: Original
Date: March 30, 2010

Bill Summary: This proposal modifies provisions relating to school attendance.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$210,969	\$253,264	\$253,264
Total Estimated Net Effect on General Revenue Fund	\$210,969	\$253,264	\$253,264

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Federal Funds	\$329,977	\$396,131	\$396,131
Total Estimated Net Effect on <u>All</u> Federal Funds	\$329,977	\$396,131	\$396,131

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume this proposal would require parents or legal guardians to send children who live in Kansas City and St. Louis to some sort of school when they have reached the legal statutory age for kindergarten. This could be public, private, home schooled, etc. It also allows for schools to have two starting dates for Kindergarten; one at the beginning of school and one at approximately the midway point. Students would have to meet the statutory age requirement. As a result this is not going to increase the pool of students. The fiscal impact to the state would probably not be great. The majority of five year olds go to school now and this would likely be the case in Kansas City and St. Louis. Another factor is that the Kindergarten requirement does not have to be satisfied by the students attending public school. The financial impact would not appear to be great; it depends upon the actions and decisions of parents, legal guardians, and students and is impossible to accurately project a figure.

The proposal would also allow students who are fourteen to be excused from attendance when legal employment has been obtained by the student. There might be a loss in ADA through the 14 year old program and this could result in a lessening of state aid.

Oversight assumes existing language in §167.031.1 (2) already states that a child between fourteen years of age and the compulsory attendance age for the district may be excused from attendance at school when legal employment has been obtained by the child; therefore,. Oversight assumes there would be no loss in ADA or decrease in state aid.

DESE defers to school districts regarding the extent of any impact from additional tracking, record keeping, or additional administrative duties.

Officials from the **Department of Social Services - Children's Division (DOS-CD)** assume this legislation would change the mandatory school attendance age to 5 and makes all kindergarten programs full day. DOS-CD currently provides child care for approximately 4,007 five year olds at a cost of \$903,283 per month, and 2,634 six year olds at a cost of \$553,224 per month. Because full day care is defined in the child care system as being in care for 5 or more hours, children receiving child care for the other half of a kindergarten day often qualify for full day child care based on the actual number of hours they are in care.

This proposed legislation would require additional staff due to the additional reports that can be expected in the St. Louis and Kansas City areas. Estimating the number of five and six year olds that could be subject to educational neglect is based on the number of such calls the Children's

ASSUMPTION (continued)

Division receives on seven year olds.

Increased Child Abuse/Neglect Investigations

Using CY08 data, the division received 9,175 total reports to the child abuse/neglect hotline for St. Louis City and Jackson County combined. Of those reports, 3,623 were handled as investigations of which, 754 were substantiated. Of all substantiation, 1.2% was for a finding of educational neglect which would equal 9 substantiations for educational neglect. If you use the above data that approximately 20% of all investigations are substantiated then the total number of education neglect reports should be approximately 45 reports handled as investigations alleging educational neglect. Seven-year-old children make up approximately 6.7% of all victims in substantiated cases. In CY08, 22 children were found to be victims of educational neglect so approximately 1 seven-year-old was found to be a substantiated victim of educational neglect. If the number 1 only represents 20% of all seven-year-olds reported for educational neglect, then the total number of seven-year-olds reported for educational neglect would be 5 for CY 08. With the above data, the division would assume the same number of five-year-olds and the same number of six-year-olds would be reported and handled as investigations for educational neglect. 5 additional CA/N reports and 1 substantiated for five-year-olds and 5 additional CA/N reports and 1 substantiated for six-year-olds. Total of 10 additional CA/N reports and 2 substantiated.

Calculations:

22 victims of educational neglect x 6.7% age seven = 1 substantiated

1 substantiated reports / 20% total reports substantiated = 5 additional reports.

Increased Family Assessments due to Educational Neglect

Using CY08 data, the division received 4,877 reports to the child abuse/neglect hotline that were handled as family assessments (FA) for St. Louis City and Jackson County combined. Of this number, 764 FA's were found that services were either needed or services with an outside agency were linked. Children age seven made up 7.1% of the children in FAs where services were needed or linked. If you use the above data, seven-year-olds comprise 7.1% of all children involved in FA reports, we can assume approximately 346 FA reports were for seven-year-old children. If we assume 20% of all FAs were for educational neglect we can assume 69 FAs were for educational neglect for seven-year-old children. With the above data, the division would assume the same number of five-year-olds and the same number of six-year-olds would be reported and handled as family assessments for educational neglect.

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ASSUMPTION (continued)

Calculations:

4,877 FA reports x 7.1% age seven X 20% educational neglect = 69 FAs.

69 FAs for five-year-olds + 69 FAs for six-year-olds = 138 additional FAs.

Increased Cases Opened

In CY08 there were 764 FAs conducted in St. Louis City, and Jackson County combined where it was found that services were needed or linked to an outside agency. If Family Centered Service cases (FCS) were opened on all 764 cases and 20% of those cases were the result of educational neglect, then 153 FCS cases were opened as the result of educational neglect. If we assume seven-year-olds were involved in 7.1% of the cases, then 11 FCS cases were opened for seven-year-olds and their families as a result of FAs for educational neglect.

Calculations:

764 FCS cases x 7.1% age seven x 20% educational neglect = 11 FCS cases

11 FCS cases for five-year-olds + 11 FCS cases for six-year-olds = 22 additional FCS cases

Summary

Using the above data we can assume that approximately 1 additional case would be opened as a result of CA/N investigations and 22 additional cases would be opened as a result of FAs as a result of this proposed legislation.

Service	FTE
2 LS1 Cases (18 cases per worker)	0.11
10 CA/N Reports (15 reports per worker per month):	0.06
138 Assessments (15 assessments per worker per month):	0.77
22 FCS Cases (20 cases per worker):	<u>1.10</u>
Total Worker Need:	2.04

Oversight assumes the case load resulting from this proposal is speculative and, for fiscal note purposes only, **Oversight** will show no additional personnel costs. Should a significant number of cases warrant additional personnel, those personnel may be requested through the

ASSUMPTION (continued)

appropriations process.

Child Care Impact

Because full day care equals five or more hours per day, even children in kindergarten half day also qualify for full day child care based on the number of hours per day they are in care. It should be noted approximately 38% of children receiving child care services are served in the (Jackson county and St. Louis City) metropolitan areas of the state.

Based on current child care expenditures, the average monthly total expenditures (September 2008-through November 2008) for full time care for children age five is approximately \$271,381. Based on a nine month school year, the total estimated expenditures for full day care for children age five that would be impacted by this legislation in the metro areas of the state is \$928,123. (Calculation: $\$271,381 \times 9 \times .38\%$).

Based on current child care expenditures, the average monthly total expenditures for full time care for children age six is approximately \$108,382. Based on a nine month school year, the total estimated expenditures for full day care for children age six is \$370,666. (Calculation: $\$108,382 \times 9 \times .38\%$).

In order to account for children who enroll in school and continue to receive part-time or full-time day care, this total of \$1,298,789 is reduced by 50%; therefore, the maximum cost savings could be up to \$649,395 per State Fiscal Year for the metropolitan areas of the state, due to the decrease in full day care for children age five and six as estimated.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
GENERAL REVENUE			
<u>Savings</u> - Department of Social Services - Decrease in child care expenditures	<u>Up to \$210,969</u>	<u>Up to \$253,264</u>	<u>Up to \$253,264</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>Up to \$210,969</u>	<u>Up to \$253,264</u>	<u>Up to \$253,264</u>
FEDERAL FUNDS			
<u>Savings</u> - Department of Social Services - Decrease in child care expenditures	<u>Up to \$329,977</u>	<u>Up to \$396,131</u>	<u>Up to \$396,131</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>Up to \$329,977</u>	<u>Up to \$396,131</u>	<u>Up to \$396,131</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposed legislation may impact some child care providers who provide care for children enrolled in half day kindergarten for the other half of the parent's work day. These providers may no longer be providing care for children identified in this proposal, the cost of which often helps balance out the higher cost of providing care for the younger children. Child care businesses would see a decrease in enrollment if the age for compulsory school attendance is reduced from age seven to age five.

FISCAL DESCRIPTION

This proposed legislation modifies school attendance requirements.

§167.031 - ATTENDANCE AGE FOR ST. LOUIS AND KANSAS CITY SCHOOL DISTRICTS

This section changes the age at which a child must begin attending school in the St. Louis City

FISCAL DESCRIPTION (continued)

School District and Kansas City School District from age seven to age five. If the child's parent or legal guardian determines that the child is not ready to attend kindergarten, he or she may enroll the child in an accredited preschool program operating in the school district after providing notification to the school district. This change will begin in the 2011-2012 school year.

§171.017 - START DATES FOR KINDERGARTEN

This section allows a school district to offer, by majority vote of the school board, two start dates for kindergarten. One start date must occur on the normal starting date for the district and the other must occur approximately halfway through the year. The school district may group children according to their date of birth. In addition, school districts must allow parents to have their child start kindergarten on the start date of their choice. A district that adopts a second start date for kindergarten students will not lose eligibility to receive state aid regardless of the timing or number of days of actual pupil attendance. A child who begins kindergarten on a second start date in the school year may be promoted to first grade the next school year if the student's teacher and principal find that the student is adequately prepared. The student's parent or legal guardian may request that the student remain in kindergarten for an additional year.

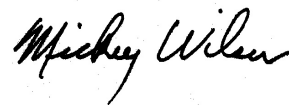
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Social Services
Children's Division

NOT RESPONDING

St Louis Public School District
Kansas City Missouri Public School District



Mickey Wilson, CPA

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